



MARKET SURVEY AND FEASIBILITY STUDY OF A 200 BEDDED SUPER SPECIALITY HOSPITAL IN A TIER 2 CITY, PRAYAGRAJ, UTTAR PRADESH

By-

Dr. Shivani Dixit

Master of Business Administration (MBA)

in

Hospital & Health Management

Roll no.- 1834

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I. Introduction

The demand for quality healthcare in tier-II cities like Prayagraj is rising due to increasing urbanization, a growing middle-class population, and lifestyle-related health issues. Despite being a prominent city in Uttar Pradesh, Prayagraj faces challenges in terms of advanced secondary and tertiary healthcare facilities. Many patients are compelled to travel to metros like Lucknow or Delhi for specialized treatment.



This study focuses on evaluating the market potential and feasibility of establishing a 200-bedded multi-specialty hospital in Prayagraj. The hospital aims to bridge the demand-supply gap, offer quality care at affordable rates, and cater to the health needs of a population that includes both urban and peri-urban segments.

II. Review of Literature

S. no.	Author	Year	Title	Source	Findings
1.	Uttara Singh, Rahul Nandan, Priyanka Gupta, Ashutosh Kumar	2024	Empirical analysis of healthcare infrastructure in prayagraj city: a comprehensive study of urban primary health centres	ResearchGate	This empirical enquiry of Prayagraj has highlighted the improvement in infrastructure and workforce.
2.	Richa Chintan	2021	UP's Tottering Health Infrastructure – Data Belies Claims of UP as 'Uttam Pradesh'	NewsClick	As per the NITI Aayog report on the performance of District Hospitals, the average number of beds in a district hospital for every 1 lakh population is among the lowest in UP. On average, UP has only 13 beds in a district hospital per lakh population.
3.	The Sunday Guardian	2018	Heal the divide: Two sides of India's healthcare industry	The Sunday Guardian	The public healthcare system usually has a tougher time hiring and retaining talent. The system is often criticised for overworking their staff while underpaying them.
4.	NITI Aayog	2021	Investment Opportunities in India's Healthcare Sector	NITI Aayog	In the hospital segment, the expansion of private players to Tier 2 and Tier 3 locations, beyond metropolitan cities, offers an attractive investment opportunity. According to

					Invest India's Investment Grid, there are nearly 600 investment opportunities worth USD 32 Billion (INR 2.3 Lakh Crore) in the country's hospital/medical infrastructure sub-sector.
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III. Research Gap

Despite being one of the key urban centers in Uttar Pradesh, **Prayagraj continues to face multiple healthcare delivery challenges**. While macro-level data on health infrastructure exists, there is a lack of location-specific feasibility studies that evaluate both the market demand and operational viability of setting up a new hospital.

With this project, we aim to address the following specific gaps:

- I. Actual **bed-to-population ratio** in Prayagraj, and whether the current infrastructure meets the Indian Public Health Standards (IPHS). This study will assess the shortfall and benchmark against national norms.
- II. Existing hospitals offer a range of services, but there is no clear analysis of **which key specialties or facilities are missing or underprovided** (e.g., critical care, oncology, advanced diagnostics). This study will identify those gaps.
- III. Many patients from Prayagraj are referred to cities like Lucknow, Varanasi, or Delhi for tertiary care. However, no formal study maps this **referral trend**, which is critical to understanding demand for local advanced care.
- IV. Prayagraj has major highways, a growing vehicle population, and increasing construction activity—all of which contribute to a high incidence of trauma. The **percentage of trauma cases**, and whether the city has adequate trauma care facilities, is under-researched.
- V. There's an observable shortage of trained medical professionals in many parts of Uttar Pradesh. However, **data on the availability of doctors, nurses, and paramedical staff** specifically in Prayagraj is scarce. This project will evaluate workforce feasibility for a new hospital.

IV. Research Question

Is establishing a 200 bedded super speciality hospital in Prayagraj, Uttar Pradesh, commercially viable and operationally feasible based on the current healthcare demand, existing infrastructure, and available resources in the region?

V. Research Objectives

1. Primary Objective:

- To conduct a market and financial feasibility study for a 200-bedded hospital in Prayagraj.

2. Secondary Objectives:

- To assess healthcare demand and service preferences among the local population.
- To study the existing hospital infrastructure and identify service gaps.
- To analyze risks, legal compliances, and stakeholder expectations.
- To evaluate potential pricing and breakeven period.

VI. Methodology

1. Research Design:

- ✓ Descriptive study

2. Data Collection:

- **Primary data-** Benchmark against leading Hospitals in Catchment area.
 - ✓ Patient or Attendant's Survey / Doctor's Survey / Administrator Survey in Catchment area.
- **Secondary data-** Census Reports,
 - ✓ Directorate of Health – Uttar Pradesh,
 - ✓ National Family Health Survey-5 (NFHS-5)
 - ✓ National Health System Resource Centre (NHSRC)
 - ✓ National Health Profiles
 - ✓ Research Papers (Pub Med)
 - ✓ Rural Health Statistics (RHS-2021)
 - ✓ News Articles
 - ✓ Literatures

3. Sampling Method: Convenience sampling

4. Data Collection Tools:

- ✓ Qualitative tool- Questionnaire
- ✓ Quantitative tool- In depth interviews

5. Study Duration:

- ✓ 3 months

6. Sample size: Prayagraj City & surrounding areas

- ✓ 2 Government & 6 Private Hospitals

VII. Plan of Analysis

1. Market analysis:

- ✓ Demographic & Socioeconomic Analysis
- ✓ Disease Burden & Epidemiological Assessment

- ✓ Existing Healthcare Infrastructure
- ✓ Competitor Analysis
- ✓ Patient Referral Patterns

2. Operational Feasibility:

- ✓ Human Resource Availability
- ✓ Infrastructure & Technology Planning
- ✓ Regulatory and Legal Assessment
- ✓ Service Mix Planning

3. Financial Feasibility:

- ✓ Capital Cost (CAPEX) Estimation
- ✓ Operational Cost (OPEX) Estimation
- ✓ Revenue Forecast
- ✓ Break-even Analysis
- ✓ Profitability Metrics

4. Risk Assessment:

- ✓ Operational Risks
- ✓ Market Risks
- ✓ Financial Risks
- ✓ Regulatory Risks
- ✓ Mitigation Strategies

5. Software/Tools:

- ✓ Microsoft Excel, Power BI